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# JOEL KITCHENS

STATE REPRESENTATIVE • 1<sup>ST</sup> ASSEMBLY DISTRICT

July 1, 2021

The Honorable Gov. Tony Evers  
Wisconsin State Capitol, Room 115 East  
2 E. Main St.  
Madison, WI 53703

Dear Gov. Evers,

As you know, Wisconsin is experiencing a severe worker shortage that is threatening our economic recovery. We have the highest number of job openings in our history and businesses are being forced to reduce hours or cut back on production. It has reached crisis proportions.

The purpose of our state's unemployment system is to provide a temporary safety net for our residents who have lost their jobs through no fault of their own. To ensure the program is being used as designed, those on unemployment must be searching for work in order to keep receiving their payments.

Unfortunately, the weekly federal unemployment supplement of \$300 is leading many people to incorrectly believe that our unemployment system is intended to be a permanent means of income. Frankly, if you cannot find work in Wisconsin right now, you are not looking.

While there are several factors playing a role in our state's significant worker shortage, the Legislature is confident that terminating our involvement in the federal unemployment program will give us the most effective and quickest outcomes. That is why we passed a bill last month that would have done just that. Regrettably, you decided to veto that legislation.

In your veto message, you state, "There is a lack of evidence to support the notion that eliminating supplemental unemployment insurance benefits would bring more individuals into the workforce."

You are also quoted in the media as saying, "First of all, I'd like to see proof that the people struggling on unemployment, that if they all came back to work suddenly this problem is solved. It's an issue I've seen no data on, none whatsoever."

My office is happy to provide you with that data.

According to an analysis by Jefferies LLC economists that appeared in the June 27 edition of *The Wall Street Journal*, the number of unemployment-benefit recipients is falling at a faster rate in the more than 20 states that have canceled the federal payments.

In the states that said they would be ending the federal supplement in June, the total number of workers who are paid state benefits fell by 13.8 percent from mid-May to mid-June. States that are eliminating the federal benefits in July saw a 10 percent decrease and those that are discontinuing in September experienced a 5.7 percent drop.

You can read the full *Wall Street Journal* article by clicking on this link:

<https://www.wsj.com/articles/americans-are-leaving-unemployment-rolls-more-quickly-in-states-cutting-off-benefits-11624786202>.

The Foundation for Government Accountability has also found that new unemployment claims have declined by 35 percent in the states opting out of the enhanced federal benefits. Initial claims have increased by 19 percent in the states that have kept the federal payments intact.

You can read that report here: <https://thefga.org/wp-content/uploads/2021/06/States-Ending-Bonus-Are-Leading-Economic-Recovery.pdf>.

I would also like to point out that, according to an SR Poll Results report, 71 percent of voters favor ending the enhanced federal unemployment payments. That includes 67 percent of independents and 59 percent of Democrats.

It is vital that we work together to stop discouraging people from gaining employment. As you can see, the data shows that terminating involvement in the federal supplement program is a positive first step that is already working. We should be looking for ways to improve workforce participation so we can adequately address our labor shortage and grow our economy. It is the only way our state will truly be able to recover from the COVID-19 pandemic.

Please contact my office if you have any questions or would like to speak about this further.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Kitchens". The signature is fluid and cursive, with a large initial "J" and "K".

State Rep. Joel Kitchens  
1<sup>st</sup> Assembly District